have been undertaken by the Reserve Bank of India (RBI) to withdraw soiled notes from circulation in Gujarat. During the period April 1 to 30th Sept, 2001, RBI has withdrawn 221 million pieces of soiled notes from circulation in Gujarat.

(d) No, Sir. RBI is regularly supplying coins to the currency chests in Gujarat State and about 281 million pieces of coins of various denominations have been distributed in the State till October, 2001.

(e) There are, at present, 311 currency chests of various banks in Gujarat where soiled notes can be exchanged. In addition, the facility of exchange can be availed at the RBI's office at Ahmedabad.

(f) In addition to special drives being undertaken by the RBI, all the banks have been directed to sort out the notes and to send the non-issuable soiled notes to the RBI for destruction.

Disappearance of soiled notes from RBI, Bangalore

1023. SHRI DINA NATH MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether misappropriation and disappearance of soiled notes worth Rs. 50.5 lakh from RBI Bangalore, has come to the notice of Government;

(b) if so, what action has been taken as yet by the appropriate authority; and

(c) whether similar happenings have taken place in any branch of RBI during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. An incident of pilferage of Rs. 50.50 lakh of soiled notes from one of the Vaults of Reserve Bank of India (RBI) Bangalore was reported to the RBI, Central Office on October 13, 2001.

(b) An FIR was lodged immediately after the incident. Based on preliminary investigations, one of the joint custodians of the

Vault for the relevant period, Shri S. Sathyanarayana has been arrested. Further investigations are continuing.

(c) No other incident of similar kind has been reported by any braach of RBI, during last 3 years.

Expert Committee on Increasing the life of currency notes

1024. SHRI P. N. SIVA:
SHRI R. SARATH KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether a committee of Experts was formed to examine the possibility of increasing the life of Indian currency notes;

(b) if so, the details thereof; and

(c) the action taken by the Government on the recommendation of the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Yes, Sir. The Government had set up a Committee of Experts on 15th October, 1999 to examine various proposals for increasing the life of Indian bank notes. General Manager Currency Note Press (CNP), Nashik was nominated as the Convenor of the said Committee alongwith six other members including General Manager, Bank Note Press (BNP), Dewas; Head of the Department, Security Paper Mill (SPM), Hoshangabad; Chief General Manager, Department of Currency Management (DCM), Reserve Bank of India; two representatives from Bharatiya Reserve Bank Note Mudran Ltd. (BRBNML), RBI and Financial Adviser, India Security Press (ISP), Nashik. The Committee submitted its report during August, 2001.

(c) The recommendations of the Committee are under consideration in the Department of Economic Affairs.